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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 01377-87
26 March 1987

MEMORANDUM FOR: Acting Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: [redacted] 25X1
Assistant National Intelligence Officer for NESA

SUBJECT: Warning and Forecast Report for Near East and South Asia

The March NESA Warning Meeting addressed the following topics:

1. Syria-Lebanon: The Syrian Intervention. CIA believes Syria's primary motivation is to save the Amal militia and contain the Palestinians in their camps. Moves against Hizballah and the Christians, in that order, are far less important objectives. Syria presently has committed about a division, including associated artillery, to West Beirut.

Assad runs the risk of an open-ended commitment in Lebanon, which would severely strain Syria economically and operationally. An immediate risk is a rupture with Iran if Assad decides to enter the southern suburbs, Hizballah's stronghold. Israel's reaction so far has been restrained. From the Israeli perspective, the deeper Syria becomes enmeshed in central Lebanon, the more distracted it will be from building its forces. The Israelis would also tend to see a Syrian move into the southern suburbs positively, since it would force Hizballah elements south into areas within Israeli reach. The Israelis will become concerned, however, if Syria moves south, toward Sidon.

The implications for US interests are mixed. The possibility of a split between Syria and Iran is good news, but a Syrian move into the southern suburbs would endanger the foreign hostages there.

INR generally concurs with this assessment. INR believes, however, that Israel would not view a move into the southern suburbs as an unalloyed benefit; the subsequent "trickle down" of Hizballah elements into southern Lebanon would not be good for Israel and the Army of South Lebanon. INR also suggested that confronting the Palestinians could be costly for Assad, in terms of finance, casualties, and also public relations. Assad has achieved a bit of international acclaim by moving to restore peace in Beirut, and renewed bloody war in the camps would be bad for his image.

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Warning and Collection Notes

There is no sign of an agreement between Iran and Syria regarding the southern suburbs; [redacted] 25X1

[redacted] the calm we are seeing may thus be a 25X1
false peace rather than a true modus vivendi. With neither Syria nor Iran in control of events, and in the absence of an agreement between the two on the status of Hizballah, there is likely to be a spiral of violence.

Amal is not yet out of the woods. The Community should also watch for the radicalization of Amal, which is losing even moderate members to Hizballah because of the latter's firm stand.

2. India-China: Prospects for Border Tensions. DI/NESA noted that there has been little change on the Indian side of the border since India responded to the establishment of a permanent Chinese outpost at Wangdung Ridge last summer. In fact, the Indians moved one brigade and one battalion out of the northeast into the Punjab during recent tension with Pakistan.

[redacted] 25X1

the border. Noting Indian tactical superiority at Wangdung, OEA categorizes Chinese activity thus far as sabre rattling. OEA estimates that Beijing would have to bring in at least 15,000 additional troops to challenge the Indian hold.

[redacted] 25X1

[redacted] unlike the 1962 25X1
border war, Chinese media have been quiet. In the absence of large troop movements to the Tibetan border, CIA believes China's options include a provocation elsewhere along the border. Both a border incident and sabre-rattling would be designed to encourage New Delhi to come to Beijing with a conciliatory offer when border talks resume.

DIA views the Chinese intentions more ominously. It believes that preliminary indications suggest that China may significantly reinforce its forces in the border area adjoining Arnunachal Pradesh. Considering the existing balance of forces, such a movement would be prudent and consistent with past Chinese actions in other border situations. [redacted] 25X1

[redacted] If China does make 25X1
such a deployment, this would give it the capability to enforce its negotiating position in future border talks; rebuff perceived Indian violations of the line of actual control; and initiate limited offensive operations against India to push them back to the line claimed by China and then to stand a reasonable chance of defending it.

There was general agreement that the Chinese are underestimating the Indian reaction. DIA expects Chinese deployments would elicit a strong military and diplomatic response from New Delhi. The possibility of small scale fighting that could escalate cannot be ruled out. If fighting were to

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occur, the most likely area would be the trijunction border area between China, India, and Bhutan. Less likely would be fighting in the Aksai Chin and Sikkim. DI/NESA notes that Gandhi apparently does not favor a resumption of border talks. He may believe that the time to negotiate is ten years from now, when India will be stronger militarily. India probably is drifting into the same situation it faced during the recent border tensions with Pakistan: the potential for a military provocation, which would give Chief of Army Staff Sundarji a green light for a response at the skirmish level. NESA would expect Gandhi to then fall back on his preferred decisionmaking style and be ready for talks in the July-August timeframe. INR generally concurs with DI/NESA, noting that the comparative lack of Indian response so far suggests New Delhi does not expect a problem or that it believes it can handle the Chinese.

Warning Notes

There is high concern in the Community that the Chinese will stage some sort of incident. A variety of domestic pressures will prevent Gandhi from backing down and, with an aggressive Indian commander in the area, escalation is a real possibility. If India suffers a defeat or embarrassment--Gandhi may finally commit to developing nuclear weapons as the ultimate defense of India. The Community consensus appears to be that the United States stands to gain little from any confrontation, but the Soviet Union could stand to lose much.

CIA believes that if the Chinese amass at Golmud, the troops will need two or three days to travel to Lhasa and at least two weeks of acclimatization to the altitude. [redacted] 25X1

[redacted] DIA believes 25X1 historical precedent makes June more likely for any skirmishing. DIA is working up a list of indicators along the lines of the one drawn up for the Indo-Pakistani border episode.

[redacted] 25X1

3. Pakistan: The Nuclear Issue and the Aid Package. INR believes that recent shocks have raised Pakistani concern, but Islamabad is not really worried about losing Congressional support for the aid package. The pressure is not yet affecting Pakistan's Afghan policy, but Yaqub Khan has made it clear that Pakistan's principled stand on Afghanistan might be jeopardized without it. Recent Pakistani rhetoric, recalling the 1979 cutoff, makes it clear that if Pakistan is forced to make a choice between a nuclear weapons option and US aid, there is not much question that the bomb would win.

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Public US pressure appears to have served to steel Pakistani determination to at least avoid the appearance of yielding. This is true even though the ruling Pakistan Muslim League, hoping to undercut the populist appeal of the opposition Peoples' Party, is staking its political fortunes on economic development underwritten by US aid.

DIA suggested that the Pakistani military has restrainted the nuclear program somewhat because it prefers a conventional deterrent. CIA agrees, but believes the military would rather have both a nuclear and conventional deterrent. The military is beginning to recognize the implications of the two-year waiver and is front-loading the military assistance program.

Warning Note

The aid package does not give the US sufficient leverage to deter Pakistan from pursuing a weapons program. The consensus view is that Pakistan does not believe it has reached the point where it must choose between the nuclear program and US assistance; the Pakistanis believe that as long as US interest in Afghanistan remains high, they can get another waiver of the Symington amendment.

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The following components attended the NIO/NESA March Warning Meeting:

External

NSA/G6
NSA/G92
NSA/G6095
NSA/B05
Army ACSI
AF/INERM
AF/INERP
AIA/USAITAC/AIAIT-AF
AIA/USAITAC/AIAIT-AA
DIA/DB-8C1
DIA/JSI-5A
DIA/DE-4
DIA/DB-2B1
DIA/JSW
DIA/JSI-3
DIA/DB-2B3A
DIA/DB2B5
State/INR
State INR/NESA
State INR/EAP
Navy/ONI
FBI

Internal

A/NIO/NESA [redacted] 25X1
CTC
CTC/[redacted] 25X1
OIR/DB
OIR/DSD(DB)
LDA/AN
LDA/PPD
NC/[redacted] 25X1
FBIS/NEB
DO/NE [redacted] 25X1
DO/NE
NPIC
NESA
NESA/AI
OEA/CH/IS
DDI/OIA
OSWR/NED

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